

Employer & Legislative Newsletter

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Artee Williams



COUNSELORS – (front, I to r) Robert Easton, Marilyn Misenhimer, Dana Yarbough-Turner and Donald Bebee; (back, I to r) Choice Phillips, Danny Lynch, John Passons and Harold Luneau are the eight reintegration counselors hired with a U.S. Department of Labor grant. The counselors locate Hurricane Katrina and Rita evacuees around the state and help them find employment or refer them to other agencies for services. Phillips is the newest employee and is assisting evacuees in Central Arkansas.

State gets grant, hires counselors

Thousands of hurricane evacuees arrived in Arkansas on buses, planes and in caravans. More than three months later, many continue to struggle with finding the necessities to rebuild their lives. Thanks to a federal grant, however, obtaining these essentials has become a little easier.

The Department of Workforce Services and Arkansas Workforce Investment Board recently received an \$800,000 grant from the U.S. Department of Labor to hire eight reintegration counselors. Although 12 states received the grant, Arkansas was the first to hire all eight.

The counselors locate Hurricane Katrina and Rita evacuees and assist them with finding employment. They also refer See Counselors on Page 2

Staff begin move back across river

The move has begun. Department of Workforce Services employees began moving back to #2 Capitol Mall on Dec. 7 after more than four years at #1 Pershing Circle in North Little Rock.

"The building itself is very well done and very professional," said Ron Snead, the deputy director and project manager. "Everyone should be very proud of their new work environment.

DWS accepted the building from Kinco Inc., the contractor, on Dec. 1. A coordinated move will continue every two weeks until the end of February. Employees from the Arkansas Workforce Investment Board and Transitional Employment Assistance Board also will be located in the building.

Employment Assistance staff, who are now on the fifth floor, were the first to move back. Reactions have been positive.

"There's really nothing not to like," said Mike Kennedy, the Employment Assistance division chief.

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Limited liability companies explained

A limited liability company is a relatively new business structure allowed by state statute: Arkansas Small Business Entity Tax Pass Through Act, which can be found at A.C.A. § 4-32-101 – 107 et seq.

Filing the required articles of organization with the Secretary of State creates an LLC. An LLC may be classified for federal income tax purposes as if it were a sole proprietorship, a partnership or a corporation. The classification election is made with the IRS by filing Form 8832.

LLCs are becoming more popular because, similar to a corporation, owners have limited personal liability for the debts and actions of the LLC.

As the LLC business structure becomes more popular, the Arkansas Department of Workforce Services, formerly the Arkansas Employment Security Department, has seen a steady increase in the number of employers filing as LLCs.

The employer community and tax service providers repeatedly ask, "Do the members of an LLC report their wages to ADWS?" ADWS acknowledges an LLC as the legal entity and recognizes the classification election with the IRS in regard to reporting member wages according to Arkansas Employment Security Law:

- Sole Proprietorship (Single Member LLC) the member does not report his/her wages and he/she is not eligible for unemployment benefits. The IRS requires the filing of Federal Form 1040, Schedule C.
- Partnership (Multiple Member LLCs) members do not report their wages and are not eligible for unemployment benefits. The IRS requires the filing of Federal Form 1065.
- Corporation (Corporation LLC) members are considered corporate officers, and their wages are reported.

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The DWS Update is produced quarterly by the Department of Workforce Services, #1 Pershing Circle, North Little Rock, AR 72114. Comments should be sent to: DWS Update, Kimberly Friedman, Department of Workforce Services, P.O. Box 2981, Little Rock, AR 72203-2981 or kimberly.friedman@arkansas.gov. The TDD number is 1-800-285-1131. DWS is an Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request for individuals with disabilities.

TEA staff attend orientation

About 100 Transitional Employment Assistance staff attended Department of Workforce Services orientation Dec. 12 and 13 at the Holiday Inn - Airport.

Staff were given an overview of Act 1705, which transfers the TEA block grant to DWS. DWS will administer the program. The Arkansas Department of Health and Human Services will continue to determine eligibility and provide cash assistance and diversion payments.

DWS staff gave an overview of the agency's programs and services. A panel discussed the collaboration of partners in the Workforce System, and attendees received an update on the transition plans.

DWS staff were given an overview of the TEA program Dec. 14 and 15.

Work Opportunity and Welfare-to-Work Tax Credits

For information, go to www.arkansas.gov/esd/ForEmployer/ A_wotc.htm.

Or call your local Arkansas Workforce Center or 1-866-330-9459.



JOB FAIR – Virgie Dobbins, with the Arkansas Workforce Center at Little Rock, assists a job seeker at the 2005 Fall Job Fair recently at the Statehouse Convention Center. More than 50 employers were represented, including the Department of Workforce Services, U.S. Department of Labor Veteran Services, Department of Defense and Local Workforce Investment Areas. Staff provided information about Arkansas Job Link and veterans services to more than 300 job seekers.

Counselors

evacuees to other agencies for services such as medical, transportation, food and clothing.

The counselors have developed working relationships with Workforce Center and Department of Health and Human Services staff in order to provide services to the evacuees.

"I am networking with the six DHHS county offices in order to reach and make contact with as many evacuees located in this area as possible," said Danny Lynch, who covers Western Arkansas.

Many have also worked with agencies in other states. Dana Yarbough-Turner, who covers North Central Arkansas, has worked with the Louisiana Department of Labor to register evacuees for unemployment insurance.

Besides helping evacuees find the essentials, many counselors also comfort them.

"One of the greatest benefits for the evacuees is to let them know that they are not alone, and the state of Arkansas is trying to provide as many services as possible to help them recover some sense of normalcy in their lives," said Harold Luneau, who covers Southwest.

Many are encouraged by a warm smile and the understanding the counselors provide, said Robert Easton, who covers the East/Northeast Region.

Donald Bebee, who covers Southeast, was a mental health responder volunteer at a Redfield shelter for hurricane

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evacuees when the reintegration counselor position became available.

Bebee said becoming one of the eight provided him an opportunity to continue to help those affected by the hurricanes.

"It really makes you count your own blessings and see how so many of your personal worries/problems are just trivial compared to what these folks are going through," he said.

Others expressed the same sentiment. For John Passons, a former psychologist and university professor from Texas, being a reintegration counselor has allowed him to help others he otherwise wouldn't have had the opportunity to help.

"This job has allowed me to help people that I never could have helped as a therapist," said Passons, who covers West Central. "I probably never would have encountered these folks while teaching at a university."

For Marilyn Misenhimer, who covers Northwest, her experience will always be a highlight of her career.

"To study Maslow's Hierarchy of Needs and understand it is one thing, but to actually help people obtain those very basic needs of food, clothing and shelter and give them hope for their future has been very gratifying," she said.

Luneau would agree.

"Their gratitude is the most satisfying experience, and I will always remember that maybe I helped to give them hope for the future." he said.

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Bert Pranter, a Management Project Analyst II, said everything is nice and professional.

"The building is so different," he said. "You wouldn't believe it's the building we left four-and-a-half years ago."

Renovations began in May 2004 and are the first to the building since its construction in the 1950s.

Besides new windows, furniture and a new heating and cooling system, 3,200 square feet were added to the fifth floor, which houses Employment Assistance. A 72-person conference room with video conferencing capability also was added.

Parking is the only problem staff should encounter, Snead said.

"The earlier you get to work, the better chance you have of getting a parking place close to the building," Snead said.

Shuttle service is not planned at this time, as funding is not available.

A ribbon cutting will occur in the spring once all the staff have moved and settled at the new location.

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They are eligible for unemployment benefits. The IRS requires the filing of Federal Form 1120 or 1120S.

For additional information on LLCs, please visit the IRS Web site at www.irs.gov. For specific questions concerning unemployment insurance accounts, please contact ADWS Employer Account Services at (501) 682-3798.